

**GC**GC(XXXVI)/1010  
31 August 1992

International Atomic Energy Agency

GENERAL Distr.  
Original: ENGLISH

# GENERAL CONFERENCE

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Thirty-sixth regular session  
Item 15 of the provisional agenda  
(GC(XXXVI)/1001)

## THE FINANCING OF SAFEGUARDS

### Report by the Board of Governors

1. In June 1992, the Board of Governors reviewed the current arrangements for the assessment of Member States' contributions towards the safeguards component of the Regular Budget, which are applicable until the end of 1992 pursuant to resolution GC(XXXIII)/RES/512, on the basis of a report by the Informal Working Group on the Financing of Safeguards.
2. The Board decided to recommend to the Conference that the current arrangements be extended for a further three years (1993, 1994 and 1995), the contributions of Member States which are now receiving or will in the future qualify to receive partial relief in respect of their assessments for the safeguards component of the Regular Budget continuing to increase in step with inflation. In the light of this recommendation, a draft resolution for the General Conference's consideration is reproduced in Annex 1.
3. The report of the Informal Working Group on the Financing of Safeguards, transmitted to the General Conference pursuant to resolution GC(XXXV)/RES/561, is contained in Annex 2.



Draft resolution

ARRANGEMENTS FOR THE ASSESSMENT OF MEMBERS' CONTRIBUTIONS  
TOWARDS THE SAFEGUARDS COMPONENT OF THE AGENCY'S REGULAR BUDGET  
FOR EACH OF THE YEARS 1993, 1994 AND 1995

The General Conference,

- (a) Recalling its resolutions embodying principles for the assessment of Members' contributions towards the safeguards component of the Agency's Regular Budget [1] and operative paragraph 2 of resolution GC(XXXIII)/RES/512,
- (b) Having considered the Board's recommendation in document GC(XXXVI)/1010 to continue with the current financing arrangements for a further three years, namely 1993, 1994 and 1995,
- (c) Believing that the arrangements now being approved for the period 1993-1995 should not prejudice whatever may be decided during that period, and
- (d) Encouraging the Board to continue during the period 1993-1995 its efforts to arrive at long-term arrangements, based on clearly defined elements, for the financing of safeguards,

1. Decides that the arrangements for the assessment of Members' contributions towards the safeguards component of the Agency's Regular Budget which it approved in 1989 to be applicable for 1990, 1991 and 1992 (by resolution GC(XXXIII)/RES/512 which amended the arrangements contained in resolution GC(XXVII)/RES/416 approved in 1983 - as extended by resolutions GC(XXVIII)/RES/433 and GC(XXX)/RES/462 - by the inclusion of price increases) to supplement those contained in resolutions GC(III)/RES/50 and GC(XXI)/RES/351, shall continue to be applicable for 1993, 1994 and 1995 with the following amendments:

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[1] GC(III)/RES/50, as amended by GC(XXI)/RES/351, GC(XV)/RES/283, GC(XX)/RES/341, GC(XXIV)/RES/376, GC(XXVII)/RES/416, GC(XXVIII)/RES/433, GC(XXIX)/RES/449, GC(XXX)/RES/462 and GC(XXXIII)/RES/512.

- (a) The contribution of each Member included in 1992 in the list of Member States qualifying to receive partial relief in respect of their assessments for the safeguards component of the Regular Budget [2] shall be increased by percentages equal to the price increase percentages on which the Regular Budget for each of the years 1993, 1994 and 1995 is based. [3]
- (b) Each of the 35 Members which were not included in the list referred to in sub-paragraph (a) above and which accordingly contributed to the safeguards component in 1992 pursuant to the provisions in sub-paragraphs 3(b) and (c) of resolution GC(XXIV)/RES/376 (see document GC(XXXV)/967, paragraph 5 and Table 3 of the Appendix), and any Member notifying the Director General that it does not wish to be included in the list referred to in sub-paragraph (a) above, shall continue to contribute on a scale to be determined, taking into account sub-paragraph 3(c)(ii) of resolution GC(XXVII)/RES/416, by proportionately increasing its base rate of assessment applicable for the year of assessment in such a way that the total contributions of those Members make up the balance of the safeguards component. [4]
- (c) In the case of admission of a new Member of the Agency which is to be included in the list referred to in sub-paragraph (a) above, that Member shall contribute, in the year its membership becomes effective, and where applicable in succeeding years, an amount, or amounts, equal to what it would have had to contribute in 1992 (if it had been a Member) increased in accordance with the provisions set out in sub-paragraph (a) above. [5]

2. Further decides that the Board shall continue to review these arrangements as outlined in sub-paragraph 3(b) and (c) of the Report of the Informal Working Group on the Financing of Safeguards [6] and make a recommendation to the General Conference in 1995 at the latest.

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- [2] See Table 2 of the Appendix to document GC(XXXV)/967.  
[3] Amendment to sub-paragraph 3(a) of resolution GC(XXVII)/RES/416.  
[4] Amendment to sub-paragraph 3(b) of resolution GC(XXVII)/RES/416.  
[5] Amendment to sub-paragraph 3(c)(i) of resolution GC(XXVII)/RES/416.  
[6] See Document GC(XXXVI)/1010, Annex 2.

**THE FINANCING OF SAFEGUARDS**

**Report of the Informal Working Group**

1. Last year, the General Conference, in resolution GC(XXXV)/RES/561, noted the report by the Chairman of the Informal Working Group on the progress made in 1991. It also requested the Group "to continue its work so that a consensus may be reached on the arrangements for the future financing of safeguards and to report, through the Board of Governors, to the Conference at its thirty-sixth regular session".
2. The Informal Working Group held two meetings, on 4 and 11 June 1992.
3. The Group agreed to recommend to the Board that:
  - (a) the arrangements for the assessment of Members' contributions towards the safeguards component of the Agency's Regular Budget approved by the General Conference in 1989 (GC(XXXIII)/RES/512) for each of the years 1990, 1991 and 1992 be extended for a period of three years (1993-95), the contributions of Member States which are now receiving or will in the future qualify to receive partial relief in respect of their assessments for the safeguards component of the Regular Budget continuing to increase in step with inflation;
  - (b) the Group report to the Board each year during the period 1993-95 whether the time has come to introduce a revised system of safeguards financing in line with any arrangements which the Board might agree on regarding a streamlined system of safeguards; and
  - (c) the arrangements for 1993-95 should not prejudice whatever may be decided during that period;
  - (d) during the period 1993-95 the Board continue its efforts to arrive at long-term arrangements, based on clearly defined elements, for the financing of safeguards;
  - (e) the question of safeguards effectiveness and efficiency be examined in an appropriate setting decided upon by the Board and the General Conference.

